

IN THE SPECIFICATION

Please replace paragraph 0041 of the published specification with the following paragraph.

If a match is found at step 304, the microprocessor 216 increments an activation/transaction counter at step 307 and generates therewith a numeric or alphanumeric security key. The alphanumeric security key is then preferably encrypted at step 308 and forwarded at step 310 to display 220. The operator of a card reader such as magnetic strip reader 120, or a remote seller communicating with the user, then inputs or forwards at step 312 the displayed, encrypted security key along with the other information found on surface 212 and any other required information.

Please replace paragraph 0043 of the published specification with the following paragraph.

Referring next to FIG. 4, one embodiment of the inventive card reader 410 is illustrated. The card reader 410 preferably has substantially the same shape and form factor as available plastic credit and debit cards such as card 110 in FIG. 1, although it is generally thicker to accommodate the additional components. The card reader 410 may be formed as a "wallet" such that a smart card 428 can be inserted into the reader as shown in FIG. 4. On the front surface 412, there is preferably provided a bio-metric reading apparatus such as fingerprint scanner 418 in electrical communication with a microprocessor 416. A ROM 422, preferably an EEPROM, stores the fingerprint or other bio-metric data, the encryption keys, and a transaction counter. A battery may also be connected to provide power to microprocessor 416. In the alternative, the energy needed to run microprocessor 416 might be provided through movement of card reader 410 (as with an automatic watch) or contact of the card or by a solar panel. The card reader 410 further includes an alpha-numeric display, such as an LED or LCD display 420.

Please replace paragraph 0045 of the published specification with the following paragraph.

As shown in FIG. 5, the present invention may be configured in an alternative embodiment as a traditional credit card reader 500 for attachment to a computer or point-of-sale (POS) device, such as an electronic cash register. The card reader includes a microprocessor 520, a display 512, and a bio-metric sensor 514. It also further includes an electrical connection 526 for transferring the security code directly from the reader 500 to the POS device or computer.